

**MINUTES
REGULAR MEETING
UTILITY SERVICE BOARD
APRIL 15, 2013**

The Regular Meeting of the Utility Service Board of the City of Jasper, Indiana, was held in the Council Chambers of City Hall in Jasper at 7:00 PM on Monday, April 15, 2013.

The meeting was called to order by Chairman Wayne Schuetter.

UPON CALL OF THE ROLL, THE FOLLOWING WERE PRESENT:

Wayne Schuetter – Chairman
Rick Stradtner – Vice Chairman
Doug Schulte – Secretary
Ken Sendelweck – Electric Commissioner
Alex Emmons – Wastewater Commissioner
Dave Hurst – Water Commissioner

ALSO PRESENT:

Jerry Schitter – Electric Distribution Manager
Windell Toby – Electric Generation Manager
Michael A. Oeding – Gas & Water Manager
Ed Hollinden – Wastewater Manager
Bud Hauersperger – General Manager
Renee Kabrick – City Attorney
Ashley Kiefer – Office Manager

ABSENT:

Keith Masterson – Gas Commissioner

MOMENT OF SILENCE (DVD-00:40)

Chairman Wayne Schuetter asked for a moment of silence to remember the victims and their families that were affected by the Boston bombing this afternoon.

PLEDGE OF ALLEGIANCE (DVD-00:59)

Chairman Wayne Schuetter led the Pledge of Allegiance.

QUOTE OPENING: MAIN LINE CAMERA - WASTEWATER (DVD-01:20)

Ed Hollinden stated that three requests for quotes were sent out, but only one was received back. Bud Hauersperger opened the quote and read it aloud as follows:

- | | |
|---|----------|
| 1. Best Equipment Company
Indianapolis, IN | \$71,000 |
|---|----------|

The quote included a Non-Collusion Affidavit, an Indiana Legal Employment Declaration, a Nepotism Policy Affirmation, and an Affidavit Regarding Non-responsibility.

Ed Hollinden asked for permission to take the quote under advisement.

Rick Stradtner made a motion to give Hollinden permission to take the quote under advisement. Alex Emmons seconded the motion. Motion approved, 6-0.

QUOTE OPENING: MANHOLE RE-LINING – WASTEWATER (DVD-03:03)

Bud Hauersperger opened the quotes and read them aloud as follows:

- | | |
|--|------------------------|
| 1. Advanced Rehabilitation Technology
Bryan, OH | \$ 260.00/ vertical ft |
| 2. Spectra Tech
Noblesville, IN | \$ 240.00/ vertical ft |

All quotes included a Non-Collusion Affidavit, an Indiana Legal Employment Declaration, a Nepotism Policy Affirmation, and an Affidavit Regarding Non-responsibility.

Ed Hollinden stated that the total project will not exceed \$30,000. Hollinden asked for permission to proceed with the project, if the low quote met specifications. Ken Sendelweck made a motion to give Hollinden approval to move forward with the manhole re-lining with Spectra Tech, upon review of the specifications and contract, for a not-to-exceed \$30,000 total. Alex Emmons seconded the motion. Motion approved, 6-0.

APPROVAL OF MINUTES (DVD-06:20)

Chairman Wayne Schuetter presented the minutes of the March 18, 2013 Regular Meeting and there being no corrections or amendments, asked for a motion to approve the minutes. Doug Schulte made a motion to approve the minutes of the March meeting as presented. Dave Hurst seconded the motion. Motion approved, 6-0.

PETITION TO VACATE A PUBLIC UTILITY AND DRAINAGE EASEMENT (DVD-06:48)

Phil Buehler with Brosmer Land Surveying, on behalf of Access Storage Now LLC, requested a petition to vacate a public utility and drainage easement located at the Old Fitness Factory on Second Street. The existing area is a two lot plat. On the south side of the property it has a 20ft public utility and drainage easement. At this time, Access Storage wants to vacate the 20ft public utility and drainage easement, which is not part of the 40ft sewer easement that exists on the west side of the property, in order to build medical clinics for Memorial Hospital.

The only utility that is located within the vacation area is a private service gas line. Chad Hurm, City Engineer, requested that Access Storage dedicate a new 20ft public utility and drainage easement on the south side of the property. Mike Oeding stated that the vacation could be a problem if it interferes with the gas line coming from the car wash located nearby. This situation will be looked into before moving forward with the vacation. All other utility managers were fine with the vacation.

Doug Schulte made a motion to approve and recommend to the Common Council the vacation of the public utility and drainage easement, on the condition that a replacement easement is received and the verification that the existing gas line for the car wash is not affected by this vacation. Rick Stradtner seconded the motion. Motion approved, 6-0.

RESULTS OF LAST MONTH'S QUOTE OPENING ON LOADER BACKHOE (DVD-17:55)

Jerry Schitter asked for the Board's permission to purchase the loader backhoe from ERB Equipment, which was the low quote and met specifications, for \$1,745.

Alex Emmons made a motion to give Schitter permission to purchase the loader backhoe from ERB Equipment for the low net quote amount of \$1,745. Dave Hurst seconded the motion. Motion approved, 6-0.

JASPER CLEAN ENERGY MONTHLY REPORT (DVD-19:03)

Bud Hauersperger explained the Jasper Clean Energy monthly report for March to the Board. Hauersperger stated that there had been no changes in the report from last month.

STACK TEST (DVD-19:20)

Windell Toby informed the Board that stack testing needs to be done at the Power Plant by the end of April to keep the permit up to date. Toby suggested having Environmental Quality perform the stack test for \$4,500. They have done the stack testing in the past and there are not many companies that perform this test anymore.

Ken Sendelweck made a motion to give Toby permission to hire Environmental Quality to perform the stack test for not-to-exceed \$4,500. Doug Schulte seconded the motion. Motion approved, 6-0.

LAWSUIT (DVD-21:17)

Hauersperger stated that Bill Kaiser informed him that May 10th is the first chance that the attorneys will have the opportunity to be in front of the judge regarding the pending lawsuit.

ELECTRIC PLANNING COMMITTEE REPORT (DVD-21:44)

Ken Sendelweck, Electric Commissioner, stated the Electric Committee did meet on April 10, 2013. The Committee discussed many things at the meeting including fiber optic RFP's, which the Committee is in support of and that Hauersperger will discuss later in the meeting.

The Committee also discussed the Power Plant capacity payment for next year which was submitted to MISO at \$3.00 per megawatt day. The payment was not approved; the price that came back from the auction was \$1.05 per megawatt day. Therefore, the City will not be able to receive any capacity payments from MISO for the upcoming year. Last year's capacity payment was approximately \$18,000 per month. This also means that the Power Plant will not have to run for purposes regarding the capacity payment. Although, we will have to keep it ready to run according to the ongoing lease with Jasper Clean Energy. A stack test will be performed by the end of April and a capacity test will have to be performed by the end of October.

Loss of the capacity payment led to an ongoing discussion regarding the reconstruction of the Electric Departments. Three employees are planning for retirement this coming year. Windell Toby, Electric Generation Manager, is planning to retire at the end of May. Conversations continue regarding how to restructure the Electric Departments due to upcoming retirements. The Committee recommends replacing the two employees retiring from the Electric Distribution Department.

The Committee also reminded the Board that they can rebid for the capacity payment again next year due to the expected rising cost of electricity.

PERMISSION TO REPLACE RETIRING EMPLOYEES (2) (DVD-26:18)

Jerry Schitter informed the Board that he received notice two weeks ago that Rick Vonderheide, a journey lineman, was retiring after 38 years of service. At the end of May, Line Superintendent, Jim Reuber will also be retiring after 44 years of service.

Schitter stated that he does have interest to hire internally regarding the Line Superintendent position. If Schitter hires internally for this position, he will have to hire two new linemen. Schitter asked the Board for permission to hire two new linemen to fill those positions.

Alex Emmons made a motion to give Schitter approval to replace the two retiring employees. Dave Hurst seconded the motion. Motion approved, 6-0.

Chairman Wayne Schuetter, on behalf of the Board, thanked Rick Vonderheide and Jim Reuber for their years of service with the Electric Department and Jasper Municipal Utilities.

RESULTS OF LAST MONTH'S QUOTE OPENING ON LOADER BACKHOE (DVD-28:45)

Mike Oeding asked for the Board's permission to purchase the loader backhoe from Hopf Equipment, which was the low quote and met specifications, for \$5,984.

Doug Schulte made a motion to give Oeding permission to purchase the loader backhoe from Hopf Equipment for \$5,984. Rick Stradtner seconded the motion. Motion approved, 6-0.

UPDATE ON 3RD AVENUE WATER MAIN REPLACEMENT PROJECT (DVD-29:29)

Mike Oeding informed the Board that there has been no word from EDA regarding the grant application for the 3rd Avenue Water Main Replacement project. EDA met last week and has not come to any conclusion regarding a budget. The director of EDA is supposed to make a decision

today regarding the grant money and project funding. Letters should be sent out sometime this week. Lisa Gehlhausen, with Indiana 15 Regional Planning Commission, recommended that Hauersperger call the director of EDA and express the City's interest and need for the grant money. Hauersperger did make several phone calls but never talked directly to the director of EDA.

Hauersperger stated that originally EDA was supposed to have a decision made by tonight's meeting, therefore the bid due date was extended to April 22nd at 4PM. Because of the circumstances and no information at tonight's meeting from EDA, Hauersperger asked for the Board's permission to extend the bid due date another week to April 29th at 4PM.

Doug Schulte made a motion to give Hauersperger permission to extend the bid due date from April 22nd at 4PM to April 29th at 4PM. Dave Hurst seconded the motion. Motion approved 6-0.

Hauersperger also asked for the Board's permission to cancel the bid deadline if a non-binding commitment letter for grant money is received from EDA prior to the new bid deadline of April 29th. If the non-binding commitment letter is received, all bids will have to be cancelled and new bids will have to be sent out according to EDA standards.

Ken Sendelweck made a motion to give Hauersperger permission to cancel the bid due date deadline if a non-binding commitment letter from EDA is received. Rick Stradtner seconded the motion. Motion approved, 6-0.

Dave Hurst then made a motion to give Midwestern Engineers approval to re-do the bid specifications for the 3rd Avenue Water Main Replacement project if the EDA non-binding commitment letter is approved. Alex Emmons seconded the motion. Motion approved, 6-0.

UPDATE ON SLUDGE LAND APPLICATION PERMIT (DVD-38:14)

Oeding informed the Board that Ralph Perry is not having any luck with local farmers regarding sludge land application on their fields. The sludge helps reduce the chemicals in the soil when fertilizer, which is high in phosphorus, has been applied to the farmland. Only one farmer in the area is willing to utilize the sludge land application. Perry agreed to void the current contract he has with the City for sludge land application.

Dan Lechner approached Oeding regarding applying the sludge on his land in Pike County. Lechner owns reclaimed land in Pike County and farmland in Dubois County and could utilize the sludge for the next 5 years. Oeding has contacted engineers to modify the sludge permit to include Pike County along with Dubois County. Oeding will speak to Lechner to see if he is willing to apply the sludge to the one farmer's land that agreed to use the sludge with Perry. This may convince other farmers in the area to use the sludge for land application.

Rick Stradtner made a motion to void the contract with Ralph Perry for sludge land application. Alex Emmons seconded the motion. Motion approved, 6-0.

Alex Emmons then made a motion to give Oeding permission to enter into negotiations for a contract with Dan Lechner for sludge land application, pending EPA approval and approval of the contract by City Attorney, Kabrick. Doug Schulte seconded the motion. Motion approved, 6-0.

CAPITAL EXPENDITURE PLAN CHANGE (DVD-45:08)

Oeding explained to the Board that he would like to make a few changes on the 2013 Capital Expenditure plan. Oeding's #10 truck can wait to be traded in until the 4th quarter, but truck #60 needs to be replaced sooner. He wants to switch the trade-in of truck #10, a 4 wheel drive, which was in the 2nd quarter Capital Expenditure plan to the 4th quarter and truck #60, a 2 wheel drive, from the 4th quarter Capital Expenditure plan to the 2nd quarter.

Ken Sendelweck made a motion to switch the trade-in of truck #10 to the 4th quarter and truck #60 to the 2nd quarter. Dave Hurst seconded the motion. Motion approved, 6-0.

GAS PLANNING COMMITTEE REPORT (DVD-46:00)

Bud Hauersperger, General Manager of Utilities, stated the committee did not meet during the past month.

WATER PLANNING COMMITTEE REPORT (DVD-46:35)

Dave Hurst, Chairman of the Water Planning Committee, stated the committee did not meet during the past month.

RESULTS OF LAST MONTH'S QUOTE OPENING ON LOADER BACKHOE (DVD-46:40)

Ed Hollinden asked for the Board's permission to purchase the loader backhoe from Hopf Equipment, which was the low quote and met specifications, for \$4,984. Hollinden asked that the backhoe be delivered in the 4th quarter.

Alex Emmons made a motion to give Hollinden permission to purchase the loader backhoe from Hopf Equipment for the low quote amount of \$4,984 and be delivered in the 4th quarter. Dave Hurst seconded the motion. Motion approved, 6-0.

RECOMMENDATION NEEDED FOR LOCAL LIMIT CHANGES TO ORDINANCE (DVD-47:37)

Hollinden reported last month on the completion of the reevaluation of the local limits. Every five years the NPDES permit requires a reevaluation of local limits. At this time, Hollinden would like permission to move forward with the changes recommended for the local limits for the Ordinance. Based on the reevaluation, the cadmium limit needs lowered to .44mg/L, the mercury limit will be added at .20mg/L, the existing local limit for Nitrogen Ammonia will be removed, but the existing surcharge limit of 30mg/L will be kept in place, and language will be added to section 5 (Wastewater Discharge Permit Issuance).

Attorney Kabrick presented Resolution #USB 2013-1 to the Board, recommending the amendment to the Ordinance setting forth Wastewater pretreatment requirements for users of the City of Jasper's Wastewater Treatment Works.

Rick Stradtner made a motion to approve Resolution #USB 2013-1, recommending the amendment to the Ordinance to the Common Council. Doug Schulte seconded the motion. Motion approved, 6-0.

Attorney Kabrick then presented Resolution #USB 2013-2 to the Board, recommending an amendment to the Ordinance regulating the connection to and use of public and private sewers, and the discharge of waters and wastes into the public sewer system of the City of Jasper and providing penalties for violations.

Dave Hurst made a motion to approve Resolution #USB 2013-2, recommending the amendment to the Ordinance to the Common Council. Ken Sendelweck seconded the motion. Motion approved, 6-0.

PERMISSION TO SELL OLD MAIN LINE CAMERA (DVD-53:09)

Hollinden said quotes were just opened to purchase a new main line camera. He informed the Board that Patoka Lake Regional Water and Sewer is interested in purchasing the old camera; they have used the old camera several times in the past. Hollinden spoke to the company that services the camera and they estimated that the old camera is worth between \$8,000 and \$12,000.

Hollinden said he called Bruce Heeke, with Patoka Lake Regional Water and Sewer, and told him the estimate. They verbally agreed on \$10,000. Heeke did approve the purchase, pending the Board's approval of the sale. Resolutions will have to be prepared by both parties. Hollinden tabled the issue until Resolutions are prepared.

WASTEWATER PLANNING COMMITTEE REPORT (DVD-54:28)

Alex Emmons, Chairman of the Wastewater Committee, stated the committee did not meet during the past month.

PERMISSION TO START HIRING PROCESS FOR GAS & WATER MANAGER (DVD-54:38)

Bud Hauersperger informed the Board that Mike Oeding, Gas and Water Manager, will be retiring June 30, 2013 after working for Jasper Municipal Utilities for 34 years. Hauersperger asked for permission to start the hiring process to replace Oeding.

Dave Hurst made a motion to give Hauersperger permission to start the hiring process for a new Gas and Water Manager. Alex Emmons seconded the motion. Motion approved, 6-0.

FIBER CONNECTIVITY / EMAIL STORAGE PROJECT (DVD-55:33)

Hauersperger handed out copies of RFP's for a fiber connectivity and email storage project. Hauersperger said a study was done which recommended converting from radio communications to fiber optic. This system will also have the ability to upgrade the server at City Hall and archive emails. Installing a new fiber network will also give the City capabilities for the future, such as installing a new phone system. There will be two proposals, one for fiber optic and one for the server upgrade. It was estimated at \$60,000 for the server upgrade. Fiber optic

connectivity could range considerably. The City will share a portion of the costs for the projects. Hauersperger asked the Board's permission to send out Requests for Proposals (RFP's).

Doug Schulte made a motion to give Hauersperger permission to send out Requests for Proposals for the fiber connectivity and email storage project. Dave Hurst seconded the motion. Motion approved, 6-0.

BEAVER LAKE LEVELS (DVD-1:02:02)

Hauersperger stated that many City officials and employees have been receiving phone calls regarding the water levels at Beaver Lake since the new spillway has been built. Some are complaining that water levels are lower, while some say they are the same. Hauersperger stated that they reviewed the original plans and the existing spillway was surveyed for the height. Those measurements were put on the new drawings and calculated the same for the new spillway. DNR approved the drawings before the project was started.

During the building of the new spillway, the contractor made an error and the top of the spillway was an inch shorter than the drawings planned. The Board approved the inch error. After the project was complete, the contractor hired a surveyor and made sure the heights were accurate. The surveyor concluded that they were 1" lower. The City also hired Brosmer Surveying to survey the new spillway after completion. They concluded that the spillway was only off ½" from the original design, which DNR approved.

Hauersperger said there are many reasons the lake may seem lower. The new spillway is wider, which displaces the water faster, or sediment could have filled in around docks. The spillway level is where it needs to be. If we change things now, we would have to re-do the entire project. With the new spillway, water levels should stay more consistent.

WAGE STUDY (DVD-1:08:00)

Hauersperger informed the Board that he decided to look at the wages of some key positions within the Utility Departments to see if these positions were competitive locally. Hauersperger checked with numerous companies and received feedback on which company to utilize for the wage study.

Hauersperger decided on Verisight and received a proposal to do a wage study on 10 utility positions for approximately \$10,000 to \$11,900. Doing a study on these 10 positions would give a good sampling to adjust the wages on other positions as well. The study will look at total compensation to determine rates.

Doug Schulte made a motion to give Hauersperger approval to enter into a contract with Verisight for a wage study, contingent upon legal review of the contract by Attorney Kabrick, for a not-to-exceed amount of \$11,900. Dave Hurst seconded the motion. Motion approved, 6-0.

FINANCE COMMITTEE REPORT (DVD-1:14:22)

Doug Schulte reported the Finance Committee had met and reviewed the claims on the Claim Docket.

The Finance Committee recommended approval of the claims as presented.

Ken Sendelweck made a motion to approve the claims as presented. Rick Stradtner seconded the motion. Motion approved, 6-0.

There being no further business to come before the Board, the meeting was adjourned at 8:15PM upon motion by Alex Emmons and seconded by Rick Stradtner. Motion approved, 6-0.

The minutes were hereby approved _____ with X without corrections this _____ day of _____, 2013.

Attest: _____
Secretary Chairman